

TRANSPARENCY IN GOVERNANCE

Over the past several months, at the request of the Chairman, staff has been considering issues related to the way in which the Port Authority and its wholly owned corporate entities conduct the business of the public. As an agency with a vital public mission of creating a world-class transportation infrastructure and fostering growth in our region, it is clear that the Port Authority cannot accomplish its goals without public confidence in the agency. To this end, the Commissioners of the Port Authority are committed to holding the agency and its wholly owned corporate entities to the highest standards of accountability and transparency.

Staff has completed a review of the Open Meetings Policy adopted in 1992, particularly the Procedures and Subject Matter Exceptions, and has recommended that the procedures be replaced by Open Meetings Rules and Regulations more consistent with a number of initiatives adopted by the Board.

Among those initiatives, the Board has invited the public to participate in its public Board meetings during a comment period, and has begun individual consideration of and voting on items presented to it. Furthermore, to underscore this commitment to open consideration of the public's business, meetings of the committees of the Board are being conducted in public, unless there is a significant security or financial rationale for closing them.

So that the public's input can be meaningful and directed to the actual business of the agency, Board agendas and those for the committee meetings are being released to the press and posted on the Port Authority's Web site, with explanations for any meetings scheduled to be held in executive session. The public comment period procedures are also highlighted.

Other changes underway include the manner in which Port Authority business is being reported and disclosed. The Office of the Secretary will now begin to post on the Web site minutes of meetings as they become finalized and are no longer confidential; it is intended that the minutes will be archived on the Web site for informational purposes as well. Similarly, contract awards are to be published in more detail and with more regularity, and archived for information. And, recently, the proposed 2007 Budget and Ten-Year Capital Plan prepared by the staff were posted and issued for public comment before Board consideration at today's meeting.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Gargano, Genova, Mack, Pocino, Sartor, Silverman and Steiner voting in favor; none against:

RESOLVED, that, as the governing body of The Port Authority of New York and New Jersey, the Commissioners express our continuing commitment to transparency in the conduct of the public's business, so that the Port Authority and its employees may hold the respect and confidence of the people of the States of New York and New Jersey; and it is further

RESOLVED, that the actions of the Chairman reported to the Board in connection with the conduct of the meetings of the Board and its committees, the

issuance of notice and the participation of the public be and they hereby are ratified; and it is further

RESOLVED, that the Commissioners of the Port Authority are committed to: (1) considering and voting on items presented to it individually; (2) releasing the agendas for meetings of the Board and its committees to the public prior to the meetings; (3) publishing the minutes of meetings through the Port Authority's Web site; (4) providing explanations for actions taken or meetings held in executive session; (5) encouraging public input; (6) publishing contract awards; and (7) providing for public consideration of and input into the annual Budget of the Port Authority; and it is further

RESOLVED, that it is the policy of the Port Authority to encourage and permit participation by the public in the business of the Port Authority, consistent with the resolution of the Board entitled "Open Meetings – Port Authority Policy" adopted on June 11, 1992 (appearing at page 305 of the Official Minutes of that date; the "Open Meetings Policy Resolution"), by considering matters in public session whenever possible and by providing for public comment at each meeting of the Board of Commissioners; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized and directed to continue to take steps for increasing public reporting and disclosure of the business of the Port Authority; and it is further

RESOLVED, that the resolution of the Board entitled, "Policy on Open Meetings," adopted on August 13, 1992 (appearing at pages 326, *et seq.* of the Official Minutes of that date), be and the same hereby is rescinded; and it is further

RESOLVED, that, in accordance with the Open Meetings Policy Resolution, the following "Open Meetings Rules and Regulations" submitted to the Board (including procedures and subject matter exceptions) be and the same hereby are adopted and approved for and on behalf of the Port Authority:

OPEN MEETINGS

Rules and Regulations

I. Introduction

- A. The policy of The Port Authority of New York and New Jersey (the “Port Authority”) relating to public attendance at meetings of the Board of Commissioners (the “Board”) and its committees was adopted on June 11, 1992. All meetings of the Board and its committees are open to the public, subject to subject matter exceptions and procedures to be provided for. These rules and regulations set forth such exceptions and procedures.

- B. The goals of these rules and regulations include: provision of advance public (and press) notice of all public meetings (including matters expected to be considered at the meetings); provision of notice by which, upon a determination to conduct business in other than open public session, individuals may be advised thereof; protection of rights of personal privacy from unwarranted invasion; exceptions from the general rules; accommodation of representatives of all groups and constituencies who may wish to attend meetings; dealing with groups or individuals who do not observe appropriate standards of decorum; release of materials that reflect actions taken both in public and executive session; and preparation of the minutes of meetings of the Port Authority, reflecting action taken in public or executive session.

II. Policy

- A. The activities and decisions of the Port Authority, involving the expenditure of public funds or the use of public assets, are the public’s business taken in the public interest and, therefore, members of the general public should have access to its meetings.

- B. For purposes of these rules and regulations, the term “meeting” means any gathering, whether corporeal or by means of communication equipment, which is attended by, or open to, the board of commissioners, held with the intent, on the part of the board members present, to discuss or act as a unit upon the specific public business of the Port Authority. The term “meeting” does not mean a gathering (1) attended by less than an effective majority of the board of commissioners, or (2) attended by or open to all the members of two or more other public bodies at a

convention or similar gathering.

- C. For the purposes of these rules and regulations, the term “public business” means matters which relate in any way, directly or indirectly, to the performance of the functions of the Port Authority or the conduct of its business.

III. Exceptions

- A. As the public interest could be adversely affected, or the personal privacy or guaranteed rights of individuals (including employees) could be in danger of unwarranted invasion, when certain subjects are considered by the Board or a committee, the meetings of which would otherwise be open to members of the general public, including representatives of the press, the Board or a committee acts in closed or executive session (unless the Board or committee otherwise determines) when taking action on or discussing such subjects (referred to as “subject matter exceptions”).
- B. Subject Matter Exceptions
 1. Matters involving public safety or law enforcement.
 2. Matters involving external or internal investigations or audits.
 3. Matters related to proposed, pending, or current litigation or judicial or administrative proceedings.
 4. Matters related to collective bargaining or negotiations.
 5. Matters related to personnel and personnel procedures.
 6. Matters related to the purchase, sale, or lease of real property, or securities where disclosure would affect the value thereof or the public interest.
 7. Matters related to, or which could impact upon, the issuance, sale, resale, or redemption of Port Authority bonds, notes, or other obligations.
 8. Matters rendered confidential, privileged, or private by federal or state law or regulations or rules or decisions of court.
 9. Matters in which the release of information could impair a right to receive funds from the United States or other grantor.

10. Matters involving ongoing negotiations or reviews of contracts or proposals not included in Item 4 above.
11. Matters related to the development of future Port Authority facilities or projects (or the redevelopment of existing facilities or projects) when public disclosure may impact on property values.
12. Matters disclosure of which would constitute an unwarranted invasion of the personal privacy of an individual.

IV. Procedures

- A. The duties of the Chairman of the Port Authority (or, in the event he is unable to perform his duties by reason of illness, disability, or absence, the Vice-Chairman of the Port Authority) and those of the Chairman (or Vice-Chairman) of each committee, in connection with meetings of the Board and the committees, respectively, under the By-Laws, include such powers as are necessary to conduct the meetings efficiently and in business-like fashion, giving due regard to the rights of members of the general public, including representatives of the press, to attend the meetings and the need for the Board and the committees to be able to act in a timely fashion.
- B. Time and Place of Meetings
 1. Meetings of the Board and its committees are held as often as one or more times each month. A yearly calendar of such meetings is prepared by the Office of the Secretary and made available on the Port Authority's Web site, to major newspapers in the New York/New Jersey region and to anyone who seeks a copy.
 2. Unless otherwise indicated, meetings are held at the principal offices of the Port Authority in the City of New York.
 3. The Office of the Secretary ensures that reasonable seating areas are established for members of the general public, including the press.
 4. In connection with the public presentation of a matter or matters for discussion or action at a meeting of the Board, members of the public present at the meeting who have registered a desire to comment may do so prior to action by the Board. In addition, prior to the end of any meeting of the Board, members of the public may address the

Commissioners on any Port Authority matter that a member of the public feels may be of concern to the residents of the Port District. Each commenter may be limited to a fixed time allotment, and all commenters may be limited to a fixed time allotment, taking into account the extent of the agenda; however, unless otherwise determined by the Chairman of the Port Authority, the fixed time allotment for all commenters shall be 30 minutes. The Commissioners are neither expected nor required to respond during the comment period.

5. Failure of the public or representatives of the press to observe proper decorum in the opinion of the Chairman of the Port Authority (or the Chairman of the applicable committee) may result in expulsion from the meeting or suspension of further proceedings.

C. Notice

1. A schedule of Board and committee meetings is included in a public calendar of meetings, updated as appropriate.
2. Notice of meetings is provided:
 - a. to each Commissioner, in accordance with the provisions of the By-Laws;
 - b. to the Governors, through their designated staff;
 - c. to the press, by means of providing notice information to major news wire services and major media outlets in the New York/New Jersey region;
 - d. to members of the public who, upon request, are included on a mailing list maintained by the Office of the Secretary; and
 - e. on the Port Authority's Web site no later than the afternoon prior to the scheduled Board meeting.
3. Notice for an individual meeting includes the time and place the meeting is to be held, whether it is a regular or special meeting, and whether it is planned to be held in open or closed, executive session or some combination thereof. To the extent possible, notice for an individual meeting includes a listing of items on the agenda.
4. Failure to provide such notice or any defect therein shall not

affect the validity of any action taken at the meeting.

D. Executive Session

1. When the need occurs for consideration of matters in a closed, executive session, such a closed session may be called by either:
 - a. the Commissioners present at the Board meeting (or the members of the committee present at the committee meeting) by a majority thereof upon motion of one of them.
 - (1) A motion to consider or vote on matters in a closed, executive session is entertained whenever made and takes precedence over all other business and motions.
 - (2) The motion identifies the general nature of the subjects to be considered in the closed, executive session and, if it is not to take place immediately, states, as closely as possible the time and circumstances for such session and when the matters discussed or acted upon may be disclosed; or
 - b. the Chairman of the Port Authority (or of a committee thereof), acting at any time (whether or not during a meeting of the Port Authority (or of a committee thereof)).
 - (1) If a closed, executive session is scheduled to be held, the notice therefor should identify the general nature of the subjects to be considered in the closed, executive session and, if it is not to take place immediately, states, as closely as possible the time and circumstances for such session and when the matters discussed or acted upon may be disclosed.
 - (2) If a closed, executive session is held in accordance with this subparagraph IV.D.1.b., the fact that such meeting was held is reported as provided for in paragraph V.D., below.

At the beginning of each closed, executive session, the Chairman of the Port Authority (or of a committee thereof) shall announce the reasons for discussing or acting upon

matters in closed, executive session consistent with one or more of the subject matter exceptions enumerated in paragraph III.B., above.

2. The Chairman of the Port Authority (or of a committee thereof), on his own motion or by unanimous consent of the Commissioners present, may permit members of the general public, including representatives of the press, to attend a closed, executive session or any portion thereof. In the case of a meeting of one of the committees, Commissioners who are not members of the committee are always permitted to attend a closed, executive session.
3. The decision to hold a closed, executive session results from a determination in the sole discretion of the Port Authority (or of a committee thereof) that the nature of the matter to be discussed or acted upon is encompassed by one or more of the subject matter exceptions enumerated in paragraph III.B., above, and requires a closed discussion.

V. Minutes

- A. Minutes are kept of all action taken at meetings of the Board and its committees. Consistent with provisions of law and the By-Laws, the Secretary provides such minutes to the Governors of New York and New Jersey for review.
- B. After the minutes of Board or committee meetings have been prepared, they are made available on the Port Authority's Web site. They are also made available, consistent with the Port Authority's policy on Freedom of Information, to members of the general public, including representatives of the press, upon request.
- C. The minutes are to be reasonably comprehensive and are to include the time and place at which the meeting was held, Commissioners (or in the case of a meeting of one of the committees, the members of the committee) and, as appropriate, others present, a summary or record of matters acted upon or discussed, and the vote, if any, on such matters.
- D Report of Executive Session
 1. If actions are taken or matters are discussed during a regular or special meeting in closed, executive session, that fact and the reasons therefor are disclosed in the minutes.
 2. If action taken in executive session, consistent with the

subject matter exceptions enumerated in paragraph III.B., above, must be maintained in confidence until a specific time or the happening of a specific event, that fact may be disclosed to the Governors but otherwise omitted from reports or public minutes until the specific time or event.

- E. Records are kept of reports made at Board and committee meetings involving matters other than subject matter exceptions enumerated in paragraph III.B., above.
 - 1. Such reports are disclosed in the minutes.
 - 2. Written materials, if any, prepared and distributed in connection with reports made, may be filed with the minutes maintained in the Office of the Secretary.
 - 3. As reports made at Board and committee meetings (and written materials, if any, related thereto) do not necessarily involve action taken by the Commissioners, such reports and materials are not an official part of such minutes, but are available in accordance with and to the extent provided by the Port Authority's policy on Freedom of Information.
 - 4. Calendars of items discussed or acted upon during Board meetings are made available at the close of each meeting and on the Port Authority's Web site until such time as the minutes of the meeting are posted. In addition, calendars of items acted upon in executive session or, notice of actions taken in executive session to the extent such actions are confidential due to significant security or financial reasons, are available at the close of each meeting and posted on the Port Authority's Web site until such time as the non-confidential minutes of the meeting are posted. Listings of contract authorizations or awards are also available at the close of each meeting and are posted on the Port Authority's Web site. Such materials are also available in accordance with and to the extent provided by the Port Authority's policy on Freedom of Information.